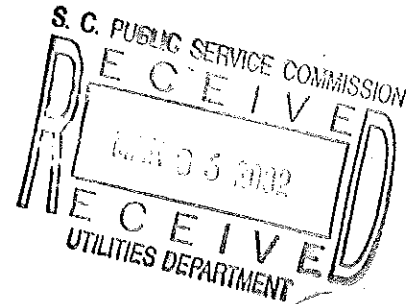
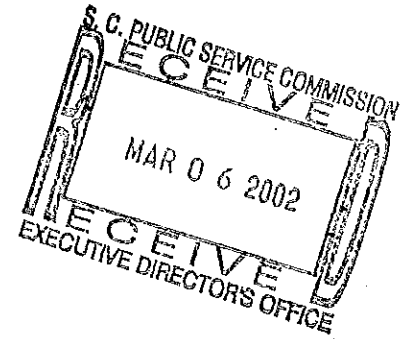


BEFORE  
THE PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

Docket No. 2001-507E

In Re:

APPLICATION FOR A CERTIFICATE )  
OF ENVIRONMENTAL COMPATIBILITY )  
AND PUBLIC CONVENIENCE AND NECESSITY )  
PALMETTO ENERGY CENTER, LLC. )  
\_\_\_\_\_ )



**Q. PLEASE STATE YOUR NAME AND ADDRESS.**

A. My name is James F. Holbrook. My address is 234 Pond View Lane, Fort Mill,  
South Carolina.

**Q. IN WHAT CAPACITY ARE YOU APPEARING TODAY?**

A. I am a resident within three miles of the site of the proposed Palmetto Energy Center.

**Q. ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?**

A. I am appearing on behalf of myself and other individuals who have filed petitions to  
intervene in the Application of the Palmetto Energy Center, LLC.

**Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE REGULATORY  
AGENCIES?**

A. No.

**Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

A. My testimony describes flaws in the application of Palmetto Energy Center of such a  
nature that the Honorable Commission should deny the application.

RETURN DATE: OK OK  
SERVICE: OK OK

**Q. ARE YOU FAMILIAR WITH THE FACTS AND INFORMATION SET FORTH IN THE PALMETTO ENERGY CENTER'S APPLICATION?**

A. Yes, I have reviewed the application and other documents provided by the applicant to those who have filed a petition to intervene.

**Q. WHAT ARE YOUR CONCLUSIONS WITH REGARD TO THE PROPOSED PALMETTO ENERGY CENTER?**

A. I have found supporting data that proves the information contained in the Palmetto Energy Center's Application is misleading.

(i) The consequences of an insufficient amount of generating capacity will create higher, more volatile prices for electricity, and a reduction in reliability. Such a condition was attributed to causing the electricity crisis in California.

There is evidence that the California electricity crisis was artificially created and not the result of insufficient generating capacity.

A review by the Los Angeles Times of a half dozen studies on the price jolts does reveal a pattern of suspicious activity during critical moments in the crisis, beginning in the summer of 2000.

Government and private researchers have concluded that California's deregulated market, which was supposed to crackle with competition, has been toyed with in ways that have kept prices substantially higher than the cost of production.

Specifically, many cite a sharp increase in unscheduled plant shutdowns and unusual production cutbacks that dried supply and helped push prices skyward -- as much as five-fold, draining cash from the state's big utilities.

The battery of studies released during a six month period were undertaken by diverse players in the energy arena, ranging from state and federal regulators to university scholars. All were trying to figure out what was going wrong with the nation's most sweeping foray into electricity deregulation. The reports represent a mix of documentable facts and market analyses.

Researchers for the Federal Energy Regulatory Commission, or FERC, said in a November 2001 report that the cuts could have been caused by equipment breakdowns in aging facilities. But they hinted at a darker scenario: The shutdowns were calculated to shrink the amount of power available, driving up the price.

In times of severe scarcity, the agency that oversees the state's power grid buys energy at premium prices to keep the lights on -- a fact well known to savvy electricity marketers. The studies note that these sellers can make a windfall by strategically reining in their output and then cranking it up when the state is most vulnerable and desperate to buy.

The timing of the outages also seemed curious. The federal researchers noted that when prices climbed to more lucrative levels, some plants managed to come back to life.

Investigators urged further study of the phenomenon. Although the federal energy panel ultimately found that the market was artificially distorted, it was unable to determine the exact companies, agencies or individuals responsible holding back power.

(ii) The effects of electromagnetic fields on humans created by high-voltage utility lines.

The proposed power plant will be built in proximity to residentially zoned areas of Fort Mill. There is continued scientific debate whether or not EMF causes various sorts of cancer in children and adults living in proximity to electrical power plant transmission lines.

A growing body of scientific evidence suggests that invisible electromagnetic fields (EMFs) -- created by everything from high-voltage utility company lines to personal computers, microwave ovens, TVs and even electric blankets -- are linked to a frightening array of cancers and other serious health problems in children and adults.

Though it received scant attention from the mainstream press, a report leaked in October 1995 from the U.S. National Council on Radiation Protection said there is a powerful body of impressive evidence showing that even very low exposure to electromagnetic radiation has long-term effects on health.

The report cited studies that show EMFs can disturb the production of the hormone melatonin, which is linked with sleep patterns. It said there was strong evidence that children exposed to EMFs had a higher risk of leukemia.

One epidemiological report indicated a tie between occupational exposure to EMFs and Alzheimer's disease. Another suggested a link with Sudden Infant Death Syndrome (SIDS). The third study indicated a tie with Amyotrophic lateralsclerosis (Lou Gehrig's

The next 10 years are critical ones for the health of the Catawba basin. Charlotte is the second-fastest growing urban city nationwide, the adverse impacts of growth on the river and surrounding communities are already evident: 84 percent of Mecklenburg County streams are unsafe for primary human contact. Given current projections, the Charlotte region's population will continue to grow by more than 200,000 people per decade.

Population growth basin wide is expected to double the permitted levels of drinking water withdrawals and sewage discharges in the next ten years.

York County is subjected to the air pollution generated by Mecklenburg County in North Carolina. There is ample evidence that CO, NOX and CO2 are a major cause of respiratory stress and illness in the residents of both counties. Charlotte is the second fastest growing city in the United States. With that growth comes an increase in automobiles and the same pollutants generated by the proposed power plant. The emissions from a power plant would exacerbate the poor air quality issue both counties are currently facing.